

BOARD OF DIRECTORS MEETING MINUTES

MEETING 6-23 June 22, 2023

LOCATION: Headquarters/Video Call

TIME: 9:30 a.m.

DIRECTORS PRESENT: Judge Frederic Smalkin, Chair (video)
Robert Witt, II, Secretary
Robert Neall, Treasurer (phone)
Derek Davis, State Treasurer (video)
Shelley Heller
Marian Hwang, Esq.
Charles Glass, Ph.D., P.E.

DIRECTORS ABSENT: One position currently vacant

OTHERS PRESENT: Joanna Kille, State Treasurer's Designee (video)

Ellen Frketic	Tim Ford
Sean L. Coleman, Esq.	Kayla Hammer
Tim Barr	Hament Patel
Shannon Bettleyon	Melissa Slatnick
Hattie Crosby	Pamela Fuller
Aimee Warner	Kevin Eckhart (IT) (video)

CALL TO ORDER

Judge Smalkin called the meeting to order at 9:35 a.m. Some Board members and staff were present at Maryland Environmental Service (MES) Headquarters, and other Board members and staff participated via Zoom video call. The meeting was streamed live to the public on YouTube.

INSPIRE

Mr. Ford presented the Extraordinary Service Inspire Award to Robert Strand. Mr. Strand has provided extraordinary service to the Baltimore County Bureau of Solid Waste by going above and beyond his core duties, while also saving extra costs. When the client requested direct courier services to the lab, Mr. Strand volunteered to shift his working schedule to reduce anticipated overtime costs. On top of this, he continued to perform his routine inspections and reports at the County facilities.

Ms. Slatnick presented the Extraordinary Service Inspire Award to Alex Hancock. Mr. Hancock responded to a fuel spill at BWI Thurgood Marshall Airport at 2:30 a.m. He coordinated cleanup, inspection, and monitoring with staff from the airport fire department, airport operations, and the Maryland Department of the Environment (MDE).

Mr. Barr presented the Extraordinary Service Inspire Award to Darren Klink, Hunter Bingaman, Keith Wright, Roger Knox, Ben Weller, Brandon Folk, and Devin Spicher. These members of the Water/Wastewater and Maintenance groups worked together to design and construct a floating emergency water intake capable of rising and falling with lake levels at the Rocky Gap State Park and Resort. This work provided uninterrupted water service and saved the client over \$130,000.

MINUTES

Judge Smalkin requested discussion or a motion for the approval of the minutes of the Board meeting on May 25 and May 26, 2023. No substantive corrections or objections were noted, and the minutes were unanimously approved.

EXECUTIVE DIRECTOR'S REPORT

Dr. Glass presented the Executive Director's and Deputy Director's expense reports for the last month. The only expenses were for Dr. Glass' travel to Atlanta to accept the Sustainable Materials Management Award at the Solid Waste Association of North America's (SWANA) Sustainability, Operations, Action, and Resources (SOAR) Conference and Ms. Frketic's trip to Canada to attend the Water Environment Federation (WEF) conference.

Dr. Glass reviewed several recent client engagements. Dr. Glass met with Johns Hopkins University regarding a possible hazardous waste research project. He also attended a kickoff meeting with the Maryland Environmental Justice Coalition regarding possible engineering support for capital projects.

Recruitment events have decreased over the summer months. Thirteen interns have now started. They were greeted with a welcome session and recently participated in a teambuilding session at Headquarters. The Strategic Advance team also recently completed a teambuilding event at Terrapin Adventures.

On June 3, about 100 employees attended a Bowie Baysox baseball game. Three more game days have been scheduled in Frederick, Aberdeen, and Salisbury. On June 6, employees volunteered at the Baltimore Animal Rescue and Care Shelter (BARCS) to walk dogs. On June 20, The Manager/Supervisor Training program held its graduation ceremony and participated in a tour of Poplar Island.

Dr. Glass expressed his appreciation to Ms. Hwang and Senator Neall for their service on the Agency Board, as their terms end on June 30, 2023. Each has been an invaluable advisor. Their work will live on for years to come in the policies and procedures implemented under their guidance.

AGENCY ACTIVITY REPORT

Judge Smalkin presented the Agency Activity Report – Accepted Proposals and asked if there were any questions.

FINANCIAL REPORT

Mr. Patel presented the preliminary Financial Statements for May 2023. Labor sales are now 12.4% higher than last year—and higher than projected—across all Groups. This has been consistent over the last several months. Overall, this is due to new projects and lower vacancies.

Overhead variance is looking better than projected. Invested cash is continuing to earn higher interest than anticipated when the budget was created. This will continue throughout FY23. Finance is exploring adding funds to the contingency fund and placing an additional \$500,000 in the retiree health benefits program to increase the reserves. Mr. Neall expressed his approval for the use of these funds.

BEST FY24 GOALS

Ms. Frketic presented an overview of the proposed Building Excellence and Success Together (BEST) goals and subgoals for FY24. The goals include:

1. Safety – MES Employees should strive to work in a manner consistent with the highest safety standards.
2. Education – Encourage staff to take advantage of educational opportunities.

3. Diversity & Inclusion – Promote a more diverse work environment where opportunities are available for all staff.
4. Customer & Community Service – Provide excellent customer service to both internal and external customers.
5. Environment – Quantify MES’s carbon footprint from operations and continue to identify opportunities to reduce greenhouse gas (GHG) emissions.
6. Administrative Enhancements – Improve administrative procedures to increase efficiency, staffing, revenue, and minority business opportunities.

Ms. Hwang made a motion to approve the goals as proposed. Ms. Heller seconded. The motion passed unanimously.

HUMAN RESOURCES REPORT

Ms. Bettleyon presented the Human Resources (HR) report. As of today, the Agency vacancy rate is 4%. The rate varies daily. For comparison, the vacancy rate in June 2022 was 9.24%. The Agency continues to work diligently to keep the vacancy rate down.

HUMAN RESOURCES COMMITTEE REPORT

The HR Committee met on June 15, 2023, to discuss several matters.

Career Ladder Updates

Mr. Ford presented the new career ladder for Equipment Operators. This ladder merges the Equipment Operator series and the Operations Manager series. There has been difficulty both attracting workers and keeping these positions filled. This updated ladder will provide staff a progressive pathway to management positions and help eliminate inconsistent usage of Senior and Lead designations. Several positions are being reclassified; these changes will not result in a pay cut to any current employees. The ladder also establishes training and career milestones for each position.

Ms. Slatnick presented the new career ladder for Engineers. There has been difficulty attracting and keeping mid- to senior-level engineers. The recommended changes will add two new mid-level designations for Associate Engineer II and Project Engineer II. The career ladder also adds professional development milestones and encourages obtaining a Professional Engineer (P.E.) license at the highest levels.

Ms. Hwang reported that the HR Committee reviewed these ladders on June 15, 2023, and the HR Committee recommends the Board’s approval of the ladders as

presented. Mr. Neall made a motion to approve the Equipment Operator and the Engineer career ladders; Judge Smalkin seconded. The motion passed unanimously.

Performance Based Compensation

The HR Committee reviewed the memorandum and recommendation from the Agency to award performance-based compensation (PBC) to Agency employees. Employee evaluations for the period of April 1, 2022, through March 31, 2023, have been completed. The Agency financial performance has been good. The Agency is recommending the following increases, based on evaluation scores:

Score	Percentage of Increase
2.99 and under	No PBC
3.0 – 3.49	3%
3.5 – 3.99	4%
4.0 – 5.0	5%

The MES salary card will also need to be increased each year. The Agency is proposing increasing the minimum, mid-point, and maximum salaries on the card by 5%.

Ms. Hwang reported that the HR Committee reviewed the Agency PBC proposal and the HR Committee recommends the Board’s approval. Mr. Witt made a motion to approve the PBC increases and salary card adjustment; Ms. Hwang seconded. The motion passed unanimously.

Mr. Patel added that the State has approved providing \$600 in matching funds to employees’ deferred compensation plans, with distribution in July 2023. MES may wish to offer a similar benefit to its employees but will not decide until January 2024.

Updated HR Policies

Four updated HR policies were submitted for review and approval. Each policy contained minor updates, title changes, or clarifications. The Policies reviewed were:

- HR 8.01 Tuition Assistance program
- HR 8.02 Agency-wide Training program
- HR 8.03 Apprenticeship Policy for Operators in Training (OIT)
- HR 8.04 Out Service Training program

Ms. Hwang reported that the HR Committee is recommending approval of the updated policies by the Board. Mr. Neall made a motion to approve the policy updates; Judge Smalkin seconded. The motion passed unanimously.

PROCUREMENT ITEMS

Ms. Crosby presented Item 1. The procurement is a change order with 24/7 Grease Trap & Plumbing, Inc. for \$40,914.50. It is for liquid sludge hauling for southern region wastewater treatment facilities. There is a 0% minority business enterprise (MBE) goal. Ms. Heller made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 2. The procurement is to purchase two Cat Dozers for the Midshore II Landfill. Carter Machinery Company will provide the dozers at a total cost of \$1,061,215. There is a 0% MBE goal. Ms. Hwang made the motion to approve the item; Mr. Neall seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Heller, who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 3. The procurement is for construction services at the Brown Station Landfill water distribution system. Sagres Construction Corp. will provide the services at a cost of \$1,425,863.14. There is a 30% MBE goal. Ms. Hwang made the motion to approve the item; Mr. Witt seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 4. The procurement is for propane fuel conversion construction at the Eastern Correctional Institution. Joseph M. Zimmer, Inc. will provide the services at a cost of \$4,365,000. There is a 20% MBE goal. Mr. Witt made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Hwang, who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 5. The procurement is a change order with South Atlantic Marine Services, Inc. for \$672,792. It is for baling wire provided to the Prince George's and Montgomery County Materials Recycling Facilities. There is a 0% MBE goal. Mr. Neall made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 6. The procurement is a change order with Agri-Services Corp. for \$1,527,359. It is for leachate hauling and disposal services provided to Sandy Hill Landfill. There is a 30% MBE goal; the contractor is currently achieving 85.29%. Ms. Heller made the motion to approve the item; Judge Smalkin seconded. No

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members were opposed. The motion passed unanimously with the exception of Ms. Hwang, who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 7. The procurement is a change order with Curtis Power Solutions, LLC for \$1,857,634.15. It is for landfill gas powerplant operations and maintenance provided to Brown Station Landfill. There is a 10.3% MBE goal. Mr. Witt made the motion to approve the item; Ms. Heller seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 8. The procurement is for equipment rental for managing hazardous materials at the Dundalk Marine Terminal and Hawkins Point Landfill. United Rental (North American) Inc. will provide the equipment at a cost of \$250,000. There is a 0% MBE goal. Judge Smalkin made the motion to approve the item; Mr. Heller seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Hwang, who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 9. The procurement is for solar installation at Deep Creek Lake State Park. Mountain View Solar & Wind, LLC will provide the services at a cost of \$253,295. There is a 0% MBE goal. This item and the next two similar items (Procurement Items 10 and 11) were advertised on two separate occasions; no proposals were received. The client, Maryland Park Service, requested that MES waive its procurement procedures and directly solicit quotes from multiple contractors. Ms. Hwang made the motion to approve the item and waive formal procurement procedures; Mr. Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 10. The procurement is for solar installation at Assateague State Park. Paradise Energy Solutions, LLC will provide the services at a cost of \$294,560. There is a 0% MBE goal. This item was advertised on two separate occasions; no proposals were received. The client, Maryland Park Service, requested that MES waive its procurement procedures and directly solicit quotes from multiple contractors. Mr. Witt made the motion to approve the item and waive MES procurement procedures; Ms. Hwang seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 11. The procurement is for solar installation at Sandy Point State Park, Fair Hill Natural Resource Management Area, and Merkle Wildlife Sanctuary. Solar Energy World, LLC will provide the services at a cost of \$558,130. There is a 0% MBE goal. This item was advertised on two separate occasions; no proposals were received. The client, Maryland Park Service, requested that MES waive

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its procurement procedures and directly solicit quotes from multiple contractors. Mr. Neall made the motion to approve the item and waive MES procurement procedures; Ms. Heller seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Ms. Hwang, who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 12. The procurement is for Baltimore County Ingleside Avenue sidewalk retrofitting. Whitney, Bailey, Cox & Magnani, LLC will provide the services at a cost of \$330,815.88. There is a 26.5% MBE goal. Ms. Hwang made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 13. The procurement is a change order with AECOM Technical Services, Inc. for \$295,892.36. It is for professional and technical services provided to Maryland Energy Administration (MEA). There is a 0% MBE goal. Ms. Heller made the motion to approve the item; Mr. Neall seconded. No members were opposed. The motion passed unanimously with the exception of Ms. Hwang, who abstained from the discussion, consideration, and vote.

Ms. Crosby presented Item 14. The procurement is a pre-solicitation approval for \$1,000,000 to purchase a 30-ton excavator for the Cox Creek Dredged Material Containment Facility. There is a 0% MBE goal. Ms. Hwang made the motion to approve the item; Mr. Neall seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 15. The procurement is a pre-solicitation approval for \$950,000 to purchase two, low ground-pressure, 20-ton bulldozers for the Masonville Dredged Material Containment Facility and the Paul S. Sarbanes Ecosystem Restoration Project at Poplar Island. There is a 0% MBE goal. Mr. Witt made the motion to approve the item; Ms. Hwang seconded. No members were opposed. The motion passed unanimously.

Ms. Crosby presented Item 16. The procurement is to purchase a 30-ton, long-reach excavator for Poplar Island. There is a 0% MBE goal. Ms. Hwang made the motion to approve the item; Judge Smalkin seconded. No members were opposed. The motion passed unanimously.

The Board Notifications for Contracts, Purchase Orders, Amendments, and Change Orders between \$25,000 and \$200,000 were reviewed.

LEGAL REPORT

Mr. Coleman will discuss one matter in closed session.

OLD/NEW BUSINESS

Dr. Glass reported that the family of Board member Hiram Tanner will be at Headquarters today for the dedication of a tree and plaque in his honor.

Ms. Hwang reported that in compliance with the MES Board of Directors Conflicts of Interest Policy, the HR Committee reviewed the Financial Disclosures submitted by current Board member at their June 15, 2023, meeting. The Committee found the disclosures to be in order and observed no actual or potential conflicts of interest.

The next meeting of the Board is Thursday, July 27, 2023, at 9:30 a.m. This will be the first Organizational Board meeting under the new Bylaws. Judge Smalkin expressed his thanks Mr. Neall and Ms. Hwang and wished them farewell.

CLOSED SESSION

At 11:20 a.m., in accordance with MD. Code Ann., Gen. Prov. §3-305(b)(1) and (8), Judge Smalkin stated that the Board intended to enter closed session to approve the minutes of a prior closed-meeting session; to consult with counsel regarding an employee complaint; and to discuss the compensation of the Deputy Director and Executive Director. Judge Smalkin asked if anyone objected to the Board entering closed session; no objections were heard. He also stated that any member of the viewing public who objected could submit their objection via email to the Agency. Mr. Neall then made a motion that the Board enter closed session for the reasons stated above. Ms. Heller seconded the motion, and all members voted in favor of closing the meeting. Judge Smalkin announced that the meeting of the Board of Directors would immediately adjourn following the closed session. The public meeting ended at 11:20 a.m. Staff members who were not required for the closed session left the meeting room and Zoom session.

Judge Smalkin called the meeting of the closed session of the Board to order at 11:30 a.m. Present during the closed session of the Board were Board members Smalkin, Witt, Neall, Kille, Heller, Hwang, and Glass. They were joined by Mr. Coleman, Ms. Frketic, and Ms. Fuller.

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Judge Smalkin requested approval of the minutes of the closed session from the April 27, 2023, meeting. There were no corrections or comments. The minutes were unanimously approved.

Mr. Coleman updated the Board on a complaint received by a former employee.

Ms. Frketic left the closed session at 11:35 a.m. Based on the recommendation of the Executive Director, the HR Committee recommended to the full Board of Directors a salary increase of 6% for the Deputy Director, effective as of July 12, 2023. The Board approved that recommendation.

Dr. Glass left the closed session at 11:39 a.m. Based on completion of the Executive Director's performance evaluation, the HR Committee unanimously recommended to the full Board of Directors a salary increase of 6% for the Executive Director, effective as of July 12, 2023. The Board approved that recommendation.

ADJOURNMENT

The meeting adjourned at 11:30 a.m.

Frederic N. Smalkin

Shelley Heller

HONORABLE FREDERIC SMALKIN
SECRETARY

SHELLEY HELLER
CHAIR